

Central Intelligence Agency

Washington, D.C. 20505

## DIRECTORATE OF INTELLIGENCE

17 June 1985

Japan Highlights: 1 May - 15 June [ ]

25X1

Summary

The Japanese media are playing up Prime Minister Nakasone's successful performance at the Bonn Summit as a prelude to his preparations for the Economic Summit in Tokyo next year. On the domestic front, political observers have continued to focus on the future of the Tanaka faction. Former Prime Minister Tanaka has returned home from the hospital, but the reporters who cover him speculate he will remain incapacitated for a year or more. Press commentary is suggesting that his role as a faction leader and kingmaker is at an end. [ ]

25X1

Nakasone After the Bonn Summit

As reflected in press commentary, Nakasone's role at the Bonn Summit was one of a Prime Minister who could hold his own with the European leaders. One front-page item began with the

This memorandum was prepared by [ ] Office of East Asian Analysis. Information available as of 17 June 1985 was used in its preparation. Comments and queries are welcome and may be directed to the Chief, Japan Branch, Northeast Asia Division, OEA, [ ]

25X1

25X1

EA M 85-10115

25X1

25X1

25X1

[redacted]

headline, "Nakasone Lectures Westerners at the Summit," and cited Nakasone's intervening in a heated discussion between Presidents Reagan and Mitterrand to remind the French leader that "the West must stay united." The media is dramatizing Nakasone's early efforts to make next year's Summit in Tokyo a success, and further highlighting his plans to persuade Mitterrand not to boycott the next Summit. Media coverage suggests Nakasone's visit to France in mid-July will further develop his personal relationship with Mitterrand. [redacted]

25X1

### Tanaka as a "Private Citizen"

Political journalists report that since his return home from the hospital in April, Tanaka has effectively had lines of communication cut with his faction. Press speculation has suggested that a combination of problems at the public hospital--lack of a neurologist in residence, inadequate rehabilitation facilities, inability to accept the service of an acupuncture specialist sent by the Chinese government--led to his convalescence at home [redacted]

25X1  
25X1

The media appears, in effect, to have written Tanaka off as a political force and believes at this point Makiko, his daughter, could play a key role in deciding his future. Press stories have cited her recent decision to transfer the financial account of the most powerful Tanaka support group, Etsuzan-kai, to Tanaka's personal account as an example of her new role. Reporters also attribute the decision to close Tanaka's political headquarters to Makiko. She reportedly was instrumental in Tanaka's decision to leave office in 1974 and according to reporters, could again convince Tanaka to resign from the lower house. [redacted]

25X1

### Impact on the Tanaka Faction

With Tanaka out of the picture, acting faction chairman Nikaido has been portrayed as in charge. But various news articles have predicted that Finance Minister Takeshita will emerge as a unifying force, and others have identified contending groups in the faction:

Nikaido's group. Various media sources indicate Nikaido's unabashed campaign to succeed Nakasone has embarrassed some of his supporters, who according to a 25 May press item believe he

25X1

25X1

[redacted]

and his aides are "going overboard." Press stories report Nikaido has attempted to court former Prime Ministers Fukuda and Miki and Minister Without Portfolio Komoto--enemies of Tanaka--and in so doing angered other faction members. [redacted]

25X1

Takeshita's "Soseikai" group. Takeshita's group has remained loyal to Tanaka by keeping a low profile. Newspaper reports indicate the group is concentrating on improving Takeshita's image. Various political observers believe the Soseikai has the solid support of party Secretary General Kanemaru and Prime Minister Nakasone. Press reports said Kanemaru took the first step to back Takeshita for a leadership position when, at a faction meeting in late May, he suggested his name as deputy chairman of the faction. [redacted]

25X1

A "Neutral" group. The reporters who cover the faction claim this group includes senior faction members Gotoda and Ozawa. The two are staunch Tanaka supporters who have criticized Nikaido and reportedly want Tanaka to play the role of "public figure" and unifying force in the faction. Political analysts emphasize, however, that Gotoda and Ozawa support Takeshita's eventual presidential candidacy. They have speculated that Gotoda has convinced a majority of the younger Dietmen--including Tanaka's son-in-law--who are not formally in the Soseikai to support Takeshita. [redacted]

25X1

#### LDP Without Tanaka

Speculation already has focused on the effects on the political and governmental scene of Tanaka's departure. Some journalists argue that without Tanaka, decisionmaking within the Liberal Democratic Party could become less efficient. Several have pointed out that negotiations concerning the election reform issue and the selection of future gubernatorial and upper house LDP candidates would have proceeded more smoothly if Tanaka had been active. [redacted]

25X1

Other political analysts believe Tanaka's prolonged absence puts Nakasone in the strongest position he has held since he assumed the prime ministership. They point out, for example, that with Tanaka out of the picture, Nakasone will have a major vote in the selection of the next prime minister and may use Tanaka's absence to strengthen his position by calling a general election. In any event, most commentators foresee no major political events until this fall, when, several have suggested, Nakasone may shuffle his cabinet. [redacted]

25X1

25X1

25X1

## Distribution:

Japan Highlights: 1 May - 15 June 1985

25X1

Original - OEA/NAD/Japan  
1 - OEA/NAD/Korea  
1 - OEA/NAD  
1 - OEA Production Office  
1 - D/OEA  
1 - DDI  
1 - NIO/EA  
1 - C/PES  
1 - C/EA/RR  
1 - OCR/ISG  
5 - CPAS/IMC/CB  
1 - Donald Gregg, Office of the Vice President  
1 - Thomas Hubbard, Department of State  
1 - William Brooks, Department of State  
1 - [redacted]  
1 - Byron Jackson, Department of Commerce  
1 - Doug Mulholland, Department of the Treasury  
1 - Glen Fukushima, Office of the United States Trade Representative  
1 - [redacted]  
DDI/OEA/NAD/JAPAN, [redacted] (17 June 1985)

25X1

25X1

25X1

25X1